

[17 August, 2004]

RAJYA SABHA

(b) whether it is also a fact that the ONGC has also decided to set up major power plants using natural gas at various places in the country;

(c) whether it is also a fact that the ONGC has also signed agreements with State Governments to set up Special Economic Zones;

(d) if so, the details thereof including the objectives of ONGC going into the power business;

(e) whether it is also a fact that this would be outside the core business of ONGC; and

(f) if so, what are the risks involved for ONGC to invest huge sums of money in such a new business?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Oil and Natural Gas corporation Limited (ONGC)'s plan to set up power plants is at a concept stage.

(c) ONGC has not signed any agreement with State Government to set up Special Economic Zones, but is considering establishing units in SEZs.

(d) to (f) Most of the global oil and gas majors are integrated in the entire hydrocarbon value chain to insulate themselves against possible business uncertainties. ONGC's plan, which is at a concept stage, is only to examine the vertical integration in the value chain. According to ONGC, all aspects of risks would be identified and adequately addressed prior to finalization of any project.

Southern Gas Grid

1409. SHRI SUDARSHAN AKARAPU: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government propose to set up a Southern Gas Grid in Andhra Pradesh by laying gas pipelines from Krishna-Godavari (KG) basin;

(b) whether any techno-economic feasibility study was made in this regard in view of huge gas reserve found in KG basin;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) Government propose to frame a gas pipeline policy for systematic and expeditious development of pipeline infrastructure linking supply sources to the potential markets. Gas Transportation and Infrastructure Company Limited (GTICL), a company promoted by Reliance Industries Limited (RIL), plans to lay the Kakinada-Hyderabad-Goa and Hyderabad-Uram-Ahmedabad pipelines to transport and market natural gas discovered by RIL in the KG basin. Also, GAIL (India) Limited (HAIL) has conceptualized a nation-wide 'GAIL Gas Grid' which will interconnect various supply sources with the markets in different parts of the country.

(d) Does not arise.

Allocation of natural gas to Gujarat

1410. SHRI LALITBHAI MEHTA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the production of natural gas from 1999-2000 to 2003-2004;-

(b) whether it is a fact that Gujarat was to be allocated natural gas for its Pipavav Power Project from increased natural gas production; and

(c) whether it is also a fact that the natural gas was allocated to private companies but was not allocated to the Government of Gujarat as promised by Government?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) The production of natural gas from 1999-2000 to 2003-2004:

Year	Production in Billion Cubic Metre (BCM)
1999-2000	28.45
2000-2001	29.48
2001-2002	29.71
2002-2003	31.39
2003-2004	31.95